

COASTAL CONSERVANCY

Staff Recommendation

January 29, 2004

**MATTOLE RIVER WATERSHED ENHANCEMENT PROGRAM:
UPSLOPE HABITAT IMPROVEMENTS**

File No. 02-119

Project Manager: Su Corbaley

RECOMMENDED ACTION: Consideration and possible authorization to expand the scope of Conservancy-funded enhancement activities in the Mattole River watershed to include implementation of upslope habitat-improvement projects.

LOCATION: The upper Mattole River watershed in the area of southern Humboldt and northern Mendocino Counties known as the "Lost Coast," west of Highway 1 and approximately 200 miles north of San Francisco (Exhibit 1)

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location and Site Maps

Exhibit 2: CEQA Documentation (2a: Mitigated Negative Declaration;
2b: Notice of Determination)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the Mattole Restoration Council to use funds that the Conservancy approved on January 23, 2003 for planning purposes in the Mattole River watershed additionally for upslope habitat-improvement projects. This authorization is subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for each project, the Mattole Restoration Council shall submit for review and approval of the Executive Officer of the Conservancy:
 - a. A work program, schedule and budget;
 - b. The names and qualifications of any contractors; and
 - c. Evidence of all necessary permits and authorizations.

2. The grantee shall enter into an agreement with each landowner to protect the public interest in the project, consistent with Public Resources Code Section 31116(c) and additionally where deemed appropriate by the Executive Officer.
3. Conservancy and Proposition 12 funding shall be acknowledged in signage or other documentation appropriate to the project.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with the purposes and criteria of Chapter 6 of Division 21 of the Public Resources Code (Sections 31251 to 31270) regarding enhancement of coastal resources.
2. The proposed authorization is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Mattole Restoration Council is a private nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the California Public Resources Code.
4. The Mattole River is identified in the Humboldt County Local Coastal Plan, South Coast Area Plan as environmentally sensitive habitat and a significant coastal stream for which the biological productivity should be maintained.
5. The Conservancy has reviewed the Mitigated Negative Declaration (attached to the accompanying staff recommendation as Exhibit 2) adopted by the California Department of Fish and Game, Central Coast Region on June 25, 2002 pursuant to the California Environmental Quality Act, and the Mitigation Monitoring Program developed to monitor mitigations of potentially significant environmental effects, and finds that the project avoids, reduces or mitigates the possible significant environmental effects to a level of insignificance, and that there is no substantial evidence that the habitat improvement activities in the upper Mattole River watershed may have a significant effect on the environment, as defined in 14 Cal. Code of Regulations Section 15382.
6. There is no evidence before the Conservancy that the habitat improvement activities will have a potentially adverse effect on wildlife resources as defined under Cal. Fish and Game Code 711.2.
7. The Conservancy has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in 14 Cal. Code of Regulations Section 753.5(d) regarding the potential for adverse effect on wildlife resources as defined under Cal. Fish and Game Code Section 711.2.”

PROJECT SUMMARY:

The Mattole River provides excellent habitat for salmonids along its main stem and within many of its tributaries. However, road erosion throughout the watershed presents a significant threat to good habitat, and further ruin of poor habitat. Implementation of habitat restoration by removal

of or upgrades to roads in the upper Mattole River will significantly improve water quality throughout the river system and increase the amount of suitable salmonid habitat.

The proposed authorization will fund implementation of road erosion control projects and conduct of associated post-project monitoring and maintenance activities under the Mattole River Watershed Enhancement Program, for which funding was authorized by the Conservancy on January 23, 2003.

The overall MRC project entails decommission/removal or upgrade of approximately 24 miles of road within the upper Mattole River watershed, to prevent potential delivery of more than 45,000 cubic yards of sediment to the river system, and conducting required monitoring of the decommission/upgrade sites during subsequent winters and making necessary repairs where necessary. Activities funded under the proposed authorization may include minor road removal or alteration, and will include the post-project monitoring and maintenance. The Sanctuary Forest, one of the five members of the Mattole River and Range Partnership, is expected to perform the actual work.

Site Description: The upper Mattole River watershed is an area of mixed-use lands, ranging from rural and residential to operating timberlands to small commercial operations. The river in the upper watershed is steep and fast flowing, capable of carrying sedimentation quickly to slower flowing reaches of the river, resulting in deposition of sediment aggrading the river, and further loss of salmonid spawning habitat.

Project History: On January 23, 2003, the Conservancy authorized \$680,000 for planning and feasibility studies, education, and outreach and data collection activities to develop the Mattole River Watershed Enhancement Program. On October 23, 2003, the Conservancy authorized the disbursement of \$70,000 to the Mattole Restoration Council for implementation of habitat improvements in the Mattole River estuary. This authorization seeks to expand the scope of the original project from planning to implementation to include road erosion control work.

PROJECT FINANCING:

Previous Coastal Conservancy authorization	\$680,000
This authorization	<u>0</u>
Total Conservancy Project Cost	\$680,000

The source of funding for the Conservancy's contribution to this effort is from salmon habitat funds of the "Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000" (Proposition 12). This authorization provides no additional funds.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

Under Public Resources Code Section 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of natural or human-induced events, have suffered loss of natural and scenic values. Consistent with §31251, this project provides for corrective measures to enhance the natural character and resources of the Mattole river system that has suffered losses of its natural values, due primarily to increased sedimentation from historic land used practices.

Section 31251.2 authorizes Coastal Conservancy participation in projects that enhance a watershed resource that, as in this case, is partly outside of the coastal zone, where such action protects or enhances coastal resources within the coastal zone. This project will remove significant up-slope erosion sources and sedimentation to the river, resulting in improvements to coastal watershed water quality, reduced aggradations of the lower reaches and estuary, thereby increasing the available anadromous fish habitat within the coastal zone.

Section 31252 requires that all areas proposed for resource enhancement by a state agency, local public agency, or nonprofit organization shall be identified in a certified local coastal plan (LCP) or program as requiring public action to resolve existing or potential resource protection problems. The proposed project is consistent with the Humboldt County Local Coastal Plan, South Coast Area Plan as described in the "Consistency with Local Coastal Program Policies" section below.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 6, Objective A**, the proposed project is expected to improve northern California coastal watershed habitat for anadromous fish resulting in significant increases to their populations.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** As discussed, the proposed project is consistent with Chapter 6 of the Conservancy's enabling legislation (Division 21 of the Public Resources Code), specifically with Section 31251 regarding coastal resource enhancement.
2. **Consistency with purposes of the funding source:** Funding for the Mattole River Watershed Enhancement Program, previously authorized on January 23, 2003, is from salmon habitat funds appropriated by the Legislature to the Conservancy from Proposition 12. The project is consistent with the funding source because of the importance of stream habitat and coastal watershed water quality to the anadromous fish populations.
3. **Support from the public:** The communities in the Mattole River watershed strongly support the Mattole River Watershed Enhancement Program and the restoration activities taking place there, as evidenced by the high level of volunteerism that supports the project work and the support received at the inception of the Program. Letters of support for the Program were included in the January 23, 2003 staff recommendation.
4. **Location:** The Mattole River watershed is located partly within and partly outside the coastal zone, in Mendocino and Humboldt Counties, approximately 200 miles north of San

Francisco. The implementation will occur outside the coastal zone, but will directly benefit the waters of the Mattole within the coastal zone, west of Petrolia in Humboldt County.

5. **Need:** The Mattole River is rich in anadromous fish resources and provides good habitat in many areas. However, because of years of incompatible land uses, exacerbated by severe seismic and weather occurrences, the upper river watershed contributes significant sedimentation to the river system, which if uncontrolled, will result in lost habitat, and declining numbers of salmonids.
6. **Greater than Local Interest:** The public-trust value of California's anadromous fish populations is epic; there is a long history of people coming from far and wide to fish the Mattole, which has experienced historic fish runs in the thousands. With the decline in those numbers, there has been a significant economic impact to the commercial and sport fishing industry. The restoration of habitat will increase salmon populations and benefit the overall economic health of the state.

Additional Criteria

13. **Realization of prior Conservancy goals:** This project will further the Conservancy's goals established under the watershed enhancement program to improve overall watershed health to increase viable salmonid habitat to result in increased sustainable salmonid populations in the Mattole River.
15. **Cooperation:** The Mattole River Watershed Enhancement Program involves many local groups and local, state, and federal agencies working together to address the restoration needs in the watershed. This project provides a platform for these diverse groups to strengthen their cooperative relationships to plan together, and share resources through coordinated efforts, for future work in the watershed.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Humboldt County Local Coastal Plan, South Coast Area Plan (LCP) discusses land use for this region of Humboldt County. Several sections of the LCP relevant to this project are as follows.

Section 3.41.A.1.g identifies as environmentally sensitive areas critical habitats for rare or endangered species on state or federal lists. The listed species Chinook, coho salmon, and steelhead trout inhabit and spawn in the Mattole River.

Section 3.41.E.2 identifies the Mattole River as a significant coastal stream, and incorporates by reference §30231 of the Coastal Act, regarding maintaining the biological productivity and the quality of coastal streams. Implementing this project will enable MRC, through the Mattole River and Range Partnership, to restore significant habitat for Chinook, coho, and steelhead salmon and plan for long-term maintenance of the species.

COMPLIANCE WITH CEQA:

The proposed authorization will expand the use of funds previously authorized by the Conservancy for planning and outreach activities, to include implementation of habitat improvement activities under the Mattole River Watershed Enhancement Program. The implementation activi-

ties include road erosion control projects and the associated post-project monitoring and maintenance activities.

On June 25, 2002, the California Department of Fish and Game (DFG) adopted a Mitigated Negative Declaration (MND) for its “2002 Fishery Restoration Grants Program. . .” for which DFG is the CEQA lead agency (Exhibit 2a) and on July 1, 2002, filed a Notice of Determination (Exhibit 2b). The overall project for which the MND was adopted by DFG entails decommission/removal or upgrade of approximately 24 miles of road within the upper Mattole River watershed, to prevent potential delivery of more than 45,000 cubic yards of sediment to the river system, and conducting required monitoring of the decommission/upgrade sites during subsequent winters and making necessary repairs where necessary. Activities funded under the proposed authorization are integral to, and a part of the overall work of the current authorization, which may include minor road removal or alteration, and will include the post-project monitoring and maintenance. The Sanctuary Forest, one of the five members of the Mattole River and Range Partnership, is expected to perform the actual work while MRC will administer it.

DFG’s fishery restoration grants program covers 12 counties including Humboldt, and the stated purpose is to restore salmon and steelhead habitat in coastal streams and watersheds. The MND prepared by DFG for its program includes among its categories of actions “Restoration Element—Major Action Items” which are listed in Table A-3 to Appendix A under Humboldt County of the MND, including the scope of work for the proposed project, the “Upper Mattole River Watershed Restoration Implementation Project”, which is included as Exhibit A to the MND. That scope encompasses work to be undertaken by Sanctuary Forest, Inc. (with a DFG grant), and administered by MRC under the Conservancy’s previous authorization for the development of the Mattole River Watershed Enhancement Program. Sanctuary Forest, Inc. and MRC have a contractual relationship under which it is expected that Sanctuary Forest will complete work authorized under the currently proposed authorization, as well. The proposed project is incorporated into DFG’s statewide program and covered by the MND adopted by DFG.

The Conservancy is acting as a responsible agency under CEQA for the proposed project. Staff has reviewed the Mitigated Negative Declaration prepared by DFG. The MND discusses potential environmental impacts of less than significant impact and less than significant with mitigation incorporation. Less-than-significant-with-mitigation-incorporation impacts include biological resources, cultural resources, and noise. With respect to biological resources, potential impacts either directly or through habitat modification were identified. However, the project will not have a substantial adverse effect because project activities were designed to improve and restore stream habitat, to provide a long-term benefit to both anadromous salmonids and other fish and wildlife, and the project implementation avoids short-term adverse impacts through mitigation measures such as constraining the permissible work window to avoid nesting or breeding seasons of birds and terrestrial animals, minimizing site access points, and taking other precautionary measures to avoid spreading of invasive species, trash, hazardous materials such as equipment lubricants, etc.

With respect to cultural resources, the MND provides for sites with the potential to be impacted to be surveyed, prior to any ground disturbing activities, and appropriate mitigation measures including fencing, on site monitoring during site work, or redesign of project approach to be implemented.

With respect to noise, potential problems were identified in the areas of temporary or periodic increases in ambient noise to levels in excess of standards established in local plans or ordinances or applicable standards of other agencies, and occasional generation of levels equal to or in excess of 85 decibels. The MND provides for the effects of noise to be mitigated by use by project workers of adequate hearing protection when operating or working near noisy equipment.

With these changes and mitigations, staff believes that the potentially significant effects have been reduced to a level of insignificance. The required mitigations will be monitored through a Mitigation Reporting Program, consistent with Public Resources Code §21081.6. Specifically, the reporting program requires that DFG ensure that all of the mitigation measures outlined in the Mitigated Negative Declaration are implemented and prepare and submit a report on the progress of those measures to the National Marine Fisheries Service annually for the duration of the project.

The mitigated effects of road decommissioning or upgrade in the upper Mattole River watershed will not contribute to adverse environmental impacts that are cumulatively significant. In fact, by improving habitat through control of historic sedimentation the project, and any similar future projects, there will be cumulative benefits to the Mattole River and the Mattole River watershed.

Staff therefore recommends that the Conservancy find that the current authorization, as mitigated, will not have a significant effect on the environment. Staff further recommends that the Conservancy find that the current authorization will not have an adverse effect as described in 14 Cal. Code of Regulations §753.5(d) regarding the potential for adverse effect on wildlife resources as defined under Cal. Fish and Game Code §711.2, and find that there is no evidence that the habitat improvement activities will have a potentially adverse effect on wildlife resources as defined under Cal. Fish and Game Code §711.2.

Upon approval, staff will file a Notice of Determination for the project.